



USAID-COMPETE PARTNER FUNDING SUPPORT



QUARTERLY REPORT

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A. INTRODUCTION

This report from Eastern Africa Grain Council (EAGC) is for the period of 2nd quarter 2012 (April to June 2012) covering the achievements under USAID-COMPETE funding support to EAGC. The Grant is aimed at strengthening institutional coordination and regional structured grain trading system through integrated regional market information systems, policy and reduced barriers to trade.

The objectives of the entire Grant are as follows:

1. To facilitate institutional strengthening to enable EAGC to deliver services to its stakeholders across the region with a particular emphasis on strengthening the capacity of satellite offices in Uganda and Tanzania.
2. To formalize regional agricultural markets and structured trade systems in the Eastern and Southern Africa region through training of trainers in harmonized grains standards, rules of trade (tariffs, simplified certificate of origin (SCO), Sanitary and Phytosanitary Standards (SPS), WRS/Commodities Exchanges and dispute resolution.
3. To expand RATIN into a truly regional market information platform that integrates national MIS providers and provides timely and accurate data and analysis to all value chain participants and is the region's preferred source of market information.
4. To hold a successful Grain Trade Summit in Uganda in October 2011 to discuss the systems required to formalize, strengthen and integrate the regional staple foods value chain, increase stakeholder participation in structured trading systems and promote regional trade and food security.
5. To organize Agribusiness Fairs in Kenya and Tanzania to bring small-scale farmers and FBOs together with leading regional traders and processors to build linkages across the value chain.
6. To engage directly with national governments in the EAC to ensure full adoption and institutionalization of the EAC's harmonized grains standards.

B. INSTITUTIONAL STRENGTHENING

a) Regional and Country Office Operations

EAGC Membership

Through the funding from USAID-COMPETE, the EAGC offices in Uganda, Tanzania and Kenya were operational. EAGC intensified its membership recruitment drive. In the said period, the following joined EAGC membership:

- Cereal Millers Association of Kenya
- USAID COMPETE
- ACDI-VOCA Kenya -joined EAGC
- Mijingu Mines & Fertilizers-Joined EAGC
- Bupalo Investments Kenya- Joined EAGC

EAGC Annual General Meeting (AGM)

EAGC held its Annual General Meeting (AGM) in Arusha on 20th April 2012. During the AGM, the new Strategic Business Plan (2013-17) was launched. The East Africa Community Secretary General Dr. Richard Sezibera who was the Chief Guest was represented by his deputy (Productive & Social Sector) Jean Claude Nsengiyumva.

EAGC Strategic Business Plan 2013-17

EAGC has been implementing its 5-year Strategic Business Plan (2008-2012). Being the final year of the plan, the Council has been in the process of developing the new Strategic Business Plan (SBP) for 2013-2017. This process started last year when EAGC board of Directors and the Management team held a retreat in Mombasa to kick-start the process. A consultant was engaged and a draft SBP was developed.

The new Strategic Business Plan (2013-17) presents its strategic focus and priorities for the next five years. The preparation of this strategic plan involved an analysis of the EAGC's external and internal environment, its competitive environment including the needs and expectations of its stakeholders. A review of its vision, mission, core values, goals and objectives; the development of an effective monitoring and evaluation system and forecasting of the resource requirements were also undertaken. Validation workshops were held between January and March 2012 where EAGC involved its members and other stakeholders in Kenya, Tanzania and Uganda to review the plan.

EAGC South Sudan Chapter

On 4th May 2012, EAGC represented by the Executive Director Mr. Gerald Masila held a meeting with the Government of South Sudan-represented by Minister for Agriculture Madam Betty Achan, to discuss plans to operationalize the Eastern Africa Grain Council, South Sudan Chapter. After this

meeting a consultative forum with various stakeholders working in the agricultural sector in the country including government officers and representatives from WFP, FAO and GIZ was arranged where Mr. Masila made a presentation on EAGC's work in the greater Eastern Africa region and the possible role the Council will play once it sets up shop in the new country in terms of strengthening the grain value chains.

Uganda EAGC Members & Stakeholders Meeting

A half day breakfast meeting was organized by EAGC with support from USAID COMPETE on Friday 25th May 2012. Participants were EAGC members and other key stakeholders in grain industry. Over 70 participants attended the breakfast meeting.

The objective of the meeting was to review the achievements of EAGC and obtain feedback on key issues and priority areas specific to the Uganda EAGC Chapter which would inform the implementation of new EAGC strategic business plan 2013-17.

In this meeting, it was informed that EAGC and UCE have a MOU and there is need to implement it. However, it's important to engage stakeholders in identifying and prioritizing actions necessary to improve the functioning of the existing WRS and Commodity Exchange. It was agreed that a workshop be organized to enable stakeholders to review the existing WRS and CE as a basis for formulating a framework for future action by practitioners and other stakeholders in revamping the WRS and Commodity Exchange into viable and widely-accessible marketing instruments in Uganda.

C. PROGRAM ACTIVITIES AND ACHIEVEMENTS

a) Structured Trading Systems (STS)

STS ToT in Kasese, Uganda



The 2nd STS TOT for Uganda took place on 3rd and 4th April.2012 in Kasese. Through the private-public partnership, EAGC and Ministry of Agriculture's NAADS program trained 31 field officers mainly extension officers in Kasese District. After the training workshop, the trainees visited Nyakatonzi warehouse which served as back up to knowledge and skills gained while at the same time have interactions with the operator. Nyakatonzi warehouse is a licensed warehouse that operates WRS.

All participants appreciated the opportunity to cooperate with other institutions offering similar services. The workshop provided an opportunity for sharing experiences since trainers came from different organizations and offered a wide range of knowledge and skills which gave maximum engagement with participants.

STS ToT in Kayonza, Rwanda



EAGC conducted the 2nd STS TOT workshop in Rwanda on 26th and 27th April 2012 in Kayonza. Rwanda Rural Rehabilitation Initiative (RWARRI) supported EAGC to get the right trainees who were mainly the agronomists and extension officers working with farmer cooperatives in Kayonza district.

The workshop was participatory and the attendees were encouraged to ask questions and interact with trainers in their own language. Where necessary, the transition of

the content was done. Introductory power-point sessions with clear learning principles of each component were provided by trainers either in English or Kinyarwanda. The training manuals (French and English versions) were distributed to all trainees.

The opening session was presided over by Ms Lucia Zikiriza, a representative from the Ministry of Agriculture-Republic of Rwanda while the closing was done by Mr. John Bideri, the Executive Director of Rwanda Rural Rehabilitation Initiative (RWARRI).

Review of Kenya WRS Bill 2012

The members of the Legal and Policy sub-committee of the Task Force on the development of WRS Legislation for Kenya held a 3-day retreat in Machakos on 9th to 11th May 2012. The aim of the retreat was to review the draft WRS bill prior to the stakeholders' validation workshop expected soon. The development of the WRS bill got a boost from the State Law office by appointing a state counsel to assist in drafting the bill and guide the process. USAID –COMPETE was represented by Mr. Victor Gitobu who co-chairs the WRS Steering Committee.

WRS Stakeholders Meetings in Kenya

EAGC organized Warehouse Receipting System (WRS) stakeholders' Workshops on 28th and 31st May 2012 in Meru and Nakuru respectively. The meetings were meant to help the various grain value chain actors understand more about the WRS and its importance in helping to reduce post-harvest losses, increase to finance access and stabilize produce prices. The workshops drew various stakeholders including farmers, traders, millers, bankers, NGOs and Ministry of Agriculture.

b) Market Information Systems

Launch of New RATIN

EAGC launched its new RATIN which is regional mobile phone based; grain market information system during its AGM in Arusha on 20th April 2012. Upon subscription, the smart phone users, can access real time market prices from 35 markets and 15 border points data collection centers across East Africa Community Member States.

Further the information system, it will also afford subscribers access to data of food stocks held in



400warehouses across the region, 126 of them being in Kenya, 101 in Uganda and 134 in Tanzania while the rest are shared between Rwanda and Burundi serving the regions' 133.5 million people with further 8.3 million soon to be added from Southern Sudan. The system captures seven staple food crops, namely, maize, wheat, beans, rice, sorghum, cassava and millet.

Food Security Meeting in Arusha

The meeting was conducted between EAGC and consultants from USAID/SERA, AIRD, Ministry of Agriculture, USDA and IFPRI. The meeting was meant to examine the impacts of the current policies on the regional markets, grain trade and the potential growth of the food crops markets in Eastern Africa. How can food security be achieved without market distortions. A review of food security needs of Tanzania and capacity to meet these needs.

This would lead to development of a food security paper that balances food security, economic growth and poverty reduction. The meeting went further on to discuss the different programs being carried by the council these stretched from STS to MIS. The effects of the export ban to the Warehouse Receipt System in the country.

This was followed by a visit to the Namanga border by the same team, the main interest was to find out how the procedures by the customs affect the flow of trade on imports and export and the procedure to be followed when clearing goods, time taken to clear the goods, the systems being used to clear the goods.

The different departments involved and their specific roles. The challenges which the Customs officials have been facing due to the imposition of the maize export ban.

EAGC at the Experts Meeting of the Africa MIS Forum in Addis Ababa, Ethiopia

EAGC was represented at the MIS experts in the region meeting in Addis Ababa, hosted by the United Nations Economic Commission for Africa (UNECA) from 30th April to 4th May 2012. The experts' forum was to discuss on the structure of the development of a continent wide platform for all MIS service providers in Africa. The aim is to ensure best practices in the sector and also agreed on modalities of sharing information. The team also discussed on the Market Information Fair which is hosted under the forum and will be hosted in Addis Ababa in November 2012.

The Regional Food Balance Sheet Process

EAGC and USAID-COMPETE convened a regional experts meeting that was held in Nairobi from 16th-18th May 2012 to under the auspices of the East Africa Community and was in line with EAC's Food Security Action Plan to develop a framework for a Comprehensive Regional Food Balance Sheet.

Following this meeting, the EAC recommended the implementation of a six month pilot phase of data pooling for purposes of developing a regional food balance sheet based on cereals and grains.

In line with this directive, EAGC has over the past one month convened successful National Food Balance Sheet Committee meetings in the entire five EAC partner and through which over sixty potential contributors of data on available food stocks were registered:

All the national Committee meetings were held in the month of June 2012 beginning with Kenya on the 12th, Tanzania on 15th, Uganda on 19th, Rwanda on 26th and Burundi on 28th. In all the meetings there were representatives from trade, processing, production, research, government and relief agencies.

The central theme of the meetings was the web based uploading of data and access by all the players. The meetings' structure involved:

- i. An overview of the Comprehensive Regional Food Balance Sheet process
- ii. Training on the Regional food Balance Sheet Portal
- iii. Recruitment and registering of potential contributions in the systems

Some of the emerging issues that cut across all the committee meetings which need to be addressed include:

- A clear strategy to expand the contributors base
- A campaign strategy to create awareness among all potential contributors
- Timeliness of data pooling to ensure regular and consistent reporting at the regional level
- Commitment by all the categories of reporting-government through the Ministries of Agriculture, private sector as coordinated by EAGC and Food Relief agencies coordinated by WFP.
- Continuous capacity building of stakeholders and especially the national focal points that will coordinate the process moving forward.

Mapping and Training on June 15, 2012 in Loitoktok and Namanga Border Points

In the month of June, two more border points: Loitoktok and Namanga were mapped and the monitors based in those border points trained on the data collection methodologies and the smart phone use to be able to transmit the data.

SMS Gateway Software and Trial and Testing

In addition, the SMS Gateway software was piloted in Kenya and is currently operational under trial version. The software procurement and installation in country offices is also underway and is expected to be completed in July.

So far, the mapping of up to 90% of the strategic border points and internal markets has been done enabling timely smart phone data transmission by the monitors. The site which is now on a test phase and it is accessible to the public.

c) Trade Policy

Policy Advisory Forum Launched in Nairobi

EAGC in partnership with the UN-FAO launched the **Agricultural Trade Policy Advisory Forum for Eastern and Southern Africa ATPAF-ESA** during an international meeting held on 2nd May 2012 at the Hilton Hotel in Nairobi. ATPAF-ESA is a regional advisory body formed during the inaugural regional policy dialogue workshop held in Nairobi on 15th December 2011 convened by the Eastern Africa Grain Council and supported by the UN Food and Agricultural Organization (FAO). The meeting which was opened by the Kenyan Minister for East Africa Community Mr. Musa Sirma brought together key players including the UN- (FAO, WFP), COMESA, ACTESA, CGIAR institutions, regional farmers' organizations, academic and research institutions, private sector and government.

After the launch of ATPAF-ESA, participants proposed and agreed on a number of roles for the Forum spelt out under four general areas/pillars; Monitoring, Enhanced evidence gathering, Capacity building and enhanced Dialogue on matters relating to agricultural trade policy. The four pillars below would guide the responsibilities of the various players and form the basis for the terms of reference for the Advisory Forum:

1. **Improved Monitoring**
2. **Enhanced evidence gathering**
3. **Capacity Building**
4. **Enhance dialogue**

EAGC at AU's Africa Organic Conference in Lusaka

EAGC was represented at the Africa Organic Conference under the theme **Mainstreaming Organic Agriculture in the African Development Agenda**, in Lusaka, Zambia from 30th to 5th May 2012. EAGC was invited by the Africa Union as the private sector institution to support Agriculture development in the continent under the CAADP process. One of the main outcomes of the meeting, is that the Africa Organic Network (AFRONET) was formed, which will work with the Africa Union Commission to ensure the implementation of the Organic Agriculture Action Plan under the CAADP.

The Pillars under the Agriculture Action Plan are Research and training, Information and communication, Value chain market development, networking and partnership, supportive policies and institutional capacity development. EAGC was therefore requested by the AUC to support in the pillars on training and research through the Eastern Africa Grain Institute, on Information and communication through the Regional Agricultural Trade Intelligence (RATIN), and in policy through the Agricultural Trade Policy Forum (ATPAF), launched in Nairobi last week. Other pillars on market development and institutional capacity development will be supported through other EAGC initiatives such as structured trading systems.

Stakeholders Forum on Cereals Policy-Kenya

EAGC participated in a stakeholders' forum on Cereal Policy in Kenya organized by the Ministry of Agriculture on Thursday 31st May 2012. The Cereal Policy developed by the Ministry, is aimed at providing an enabling policy, legal and regulatory framework that responds to constraints in;

technology development; input accessibility; adoption of technologies; marketing systems; products quality and infrastructure for the development of the cereal subsector along the value chains. EAGC has been proposed as one of the partners to implement the proposed interventions. EAGC was invited to do a presentation on its programs.

FAO CCP 69 SESSION-Special Event of Enhancing Intra-Africa Trade

EAGC's Executive Director participated in the FAO conference held on 28th-30th May 2012 in Rome, Italy. EAGC was invited to participate in this Special Event whose purpose was to bring together key actors (high-level policy makers, RECs, farmers' organizations, private sector, researchers, etc) involved in regional value chain development, food security and trade to highlight the remaining impediments and provide operationally effective solutions for concrete actions for improving intra-African trade and regional value-chain developments in the context of increasing price volatility in African food markets. Mr. Gerald Masila was one of the conference speakers under "*Enhancing Intra-African Trade*".

Development of Policy papers on Aflatoxin, Moisture content and Wheat exports.

During the period, the council produced several policy documents and submitted to the various key bodies including a document on Aflatoxin in Kenya, Moisture content requirements in Maize, and Wheat import from Mauritius. Such materials continue to give EAGC its thought leadership profile on issues affecting grain sector in the region.

The Review of the National Export Strategy in Uganda

EAGC was represented at the National Export Strategy review meeting held in Uganda. The consultative meeting of the National Export Strategy (NES) was organized by the Uganda Export Promotions Board. The meeting was aimed at seeking contributions from stakeholders to the review of the expiring NES. Consequently, the contributions will be used to guide the development of the new National Export Strategy. The NES under review was the first of its kind in the country. The strategy was developed in 2007 using the consultative approach through public-private sector partnership. The strategy was designed to cover five years (2008-2012) and it was launched in 2007 by his Excellency the President of the Republic of Uganda. The Strategy is in its final year of implementation and will be expiring on October 7th, 2012.

This consultative meeting brought together over 25 stakeholders from the different export sectors of the country. The review of this Strategy was aimed at assessing the extent to which the strategy has achieved its objectives; assess the impact, benefits and value of the strategy to the Ugandan Economy; identify the achievements and success stories and engage the community in providing sector feedback; synthesize knowledge from the strategy.

d) Annual Agribusiness Fairs

EAGC holds a successful Agribusiness Expo in Uganda

EAGC hosted a very successful Agribusiness Expo on 21st and 22nd June 2012, in Lira, Uganda. The Agribusiness Expo 2012 was hosted in partnership with Ngetta Zonal Agricultural Research & Development Institute (NGEZARDI) and the Agri-Pro Focus Market Information Group.

Honourable Minister of Agriculture, Hon. Tress Bucyanayandi, officially opened the expo while Hon. Dr. James Mutende, State of Minister for Industry and Technology closed the event.

The expo, got a very exciting twist, on the first day, when over 23 Members of Parliament (MPs), from all over Uganda, visited the expo, and they lauded EAGC for the very successful event and consequently, most of them asked for similar agribusiness expos to be held in their respective constituencies.

The Expo themed “Improving livelihoods through enhancing access to markets” brought in over 3000 farmers from all over Uganda.

The expo was divided into two sections:

a) The crops demonstration plots

There was a wide variety of crops show cased during the expo. The crops demo covered an area of 10 acres. A total of 13 companies participated in the demo.



b) The exhibitor display booths

A total of 29 exhibitors from the agribusiness sector, including seed companies, milling and processing companies, financial institutions, fertilizer and pest control service providers, Market Information service providers, academic and research institutions, farm machinery companies, water service providers among others participated in the expo.



c) MIS symposium

Agri-Profocus Forum (APF) which is a Market Information working group of 13 organizations (EAGC included) organized the Market Information symposium during the EAGC agribusiness Expo. This event offered a platform to train farmers on the role of market information in enhancing market access. Other than this, it created dialogue among the farmers and MIS service providers. More than 100 farmers participated in this symposium.

The market information symposium sought to address and deliberate on the following sub themes:

- Role of Rural farmer communities in the development of relevant content for Market Information Services
- Tailoring of market information content for end users by local BDS service providers
- Identifying effective Information Sharing Channels between BDS providers and end users.



MIS SYMPOSIUM-LIRA

Progress on the Agribusiness Expo in Tanzania

- **Change of Dates for the Event**

The preparation for the EAGC Annual Agribusiness Fair 2012 themed, **“Promoting Agribusiness for economic development and prosperity”** continued through the 1st quarter of this year. The Fair is being organized jointly by EAGC and Selian Agricultural Research Institute (SARI). The event was postponed from **8th and 9th June 2012** to **20th to 21st July 2012** in Arusha. This was caused by collision of the EAGC Expo and the Karibu Fair which was initially slated for 1st and 3rd June but moved to June 8th – 10th June. The postponement of EAGC Agribusiness Expo was done at the request of exhibitors to enable them attend both events.

The event is expected to be officially opened by His Excellency, the Ambassador Dr. Richard Sezibera on 20th July 2012.

- **Crops Demo set up**

The preparation of the crops demo in Arusha has been ongoing. EAGC installed additional solar panels to boost the power of the solar water pump. Now there is sufficient water for the crops demo site. Irrigation system has also been fixed.

Nine seed companies and one Fertilizer Company are participating in the demo.



Crops demo plots in Tanzania

- **Sponsors and Exhibitors**

So far 47 exhibitors have confirmed participation. 2 sponsors have come on board to support the event. The sponsorship is in kind;

- Mijingu Fertilizer & Mining Ltd who donated fertilizer for the crops demo.
- FMD- supply of power through donation of a generator

- **Awareness**

Expo adverts have been running through Guardian and Mwananchi Newspapers. Four insertions were made in April and four more insertions were done in May and June. Clouds FM which is a radio station with national wide listenership was used to broadcast the agribusiness Expo targeting farmers.

- **Exhibition Schedule**

- Wed 18th –Thur 19th July-Road shows
- Wed 18th Jul: Site preparation/ pitching the tents.
- Thur.19th July: Exhibitors to start displaying and laying out the equipment.
- Friday 20th July :

Farmers Day -Gates open at 9am and close at 5pm.

Networking Dinner-from 6.30pm

- Saturday 21st July : **Business Day**
Gates open at 9am and close at 5pm.
- Sunday 22nd July: Open Day Exhibits may be removed